

Sean Dougherty
AVP, Contracts
CIT Rail



December 16, 2009

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
Washington, D.C. 20423

RECORDATION NO. 28096 FILED

DEC 16 '09

3-46 PM

SURFACE TRANSPORTATION BOARD

RE: LYCV01001

Dear Secretary,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is a Memorandum of Lease Agreement dated as November 4, 2009, a primary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement.

Lessee: LYCOMING VALLEY RAILROAD, a Pennsylvania corporation
356 Priestly Avenue
Northumberland, PA 17857

Lessor: The CIT Group/Equipment Financing, Inc.
30 South Wacker Drive, Suite 3000
Chicago, IL 60606

A description of the railroad equipment covered by the enclosed document is: Railcars within the series LVRR 100 THRU LVRR 149 (inclusive) as more particularly set forth in the equipment schedule attached to this document.

A short summary of the document to appear in the index is: **Memorandum of Railcar Lease.**

Kindly return stamped copies of the enclosed document to the undersigned.

Best regards,

/s

Sean Dougherty
AVP, Contracts
CIT Rail

Enclosures

CIT RAIL
30 South Wacker Drive
Suite 3000
Chicago, IL 60606

t: 312.906.5785 f: 312.906.5833
sean.dougherty@cit.com

DEC 1 6 '09

3-46 PM

MEMORANDUM OF RAILCAR LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF RAILCAR LEASE dated as of this 4th day of November, 2009, is made by THE CIT GROUP/EQUIPMENT FINANCING, INC., a Delaware corporation, with an address at 30 South Wacker Drive, Suite 3000, Chicago, Illinois 60606 (the "Lessor"), and LYCOMING VALLEY RAILROAD, a Pennsylvania corporation, with an address at 356 Priestly Ave., Northumberland, PA 17857 (the "Lessee" and, together with the Lessor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and the Lessee are parties to that certain Master Net Railcar Lease (the "Master Lease") dated as of November 4, 2009 and Schedule No. 01 thereto dated as of November 4, 2009 (the "Schedule"; the Schedule and the Master Lease to the extent relating to the Schedule, are hereinafter referred to as the "Lease") covering the equipment listed on Schedule A hereto (the "Equipment"), and

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Lease, and the respective interests therein of the parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written,

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Lease, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessor by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessor. I further declare under penalty of perjury that the foregoing is true and correct.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: [Signature]
Name: Paul Curry
Title: S.V.P.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessee by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessee. I further declare under penalty of perjury that the foregoing is true and correct.

LYCOMING VALLEY RAILROAD

By: [Signature]
Name: BARRY R. SHIELDS
Title: President

Schedule A

| <u>Quantity</u> | <u>Equipment Description</u> |
|-----------------|------------------------------|
| 50 | 52 FT. Mill Gondola |

Reporting Marks and Numbers

| | | | |
|------|-----|------|-----|
| LVRR | 100 | LVRR | 125 |
| LVRR | 101 | LVRR | 126 |
| LVRR | 102 | LVRR | 127 |
| LVRR | 103 | LVRR | 128 |
| LVRR | 104 | LVRR | 129 |
| LVRR | 105 | LVRR | 130 |
| LVRR | 106 | LVRR | 131 |
| LVRR | 107 | LVRR | 132 |
| LVRR | 108 | LVRR | 133 |
| LVRR | 109 | LVRR | 134 |
| LVRR | 110 | LVRR | 135 |
| LVRR | 111 | LVRR | 136 |
| LVRR | 112 | LVRR | 137 |
| LVRR | 113 | LVRR | 138 |
| LVRR | 114 | LVRR | 139 |
| LVRR | 115 | LVRR | 140 |
| LVRR | 116 | LVRR | 141 |
| LVRR | 117 | LVRR | 142 |
| LVRR | 118 | LVRR | 143 |
| LVRR | 119 | LVRR | 144 |
| LVRR | 120 | LVRR | 145 |
| LVRR | 121 | LVRR | 146 |
| LVRR | 122 | LVRR | 147 |
| LVRR | 123 | LVRR | 148 |
| LVRR | 124 | LVRR | 149 |

Sean Dougherty
AVP, Contracts
CTT Rail



December 16, 2009

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
Washington, D.C. 20423

RE: LYCV01001

Dear Secretary,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is a Memorandum of Lease Agreement dated as November 4, 2009, a primary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement.

Lessee: LYCOMING VALLEY RAILROAD, a Pennsylvania corporation
356 Priestly Avenue
Northumberland, PA 17857

Lessor: The CIT Group/Equipment Financing, Inc.
30 South Wacker Drive, Suite 3000
Chicago, IL 60606

A description of the railroad equipment covered by the enclosed document is: Railcars within the series LVRR 100 THRU LVRR 149 (inclusive) as more particularly set forth in the equipment schedule attached to this document.

A short summary of the document to appear in the index is: **Memorandum of Railcar Lease.**

Kindly return stamped copies of the enclosed document to the undersigned.

Best regards,

/s

Sean Dougherty
AVP, Contracts
CIT Rail

Enclosures

CIT RAIL
30 South Wacker Drive
Suite 3000
Chicago, IL 60606

t: 312.906.5785 f: 312.906.5833
sean.dougherty@cit.com